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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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Chapter 11

Case No. 11-15844

In re:

BAY CONDOS, LLC.

Debtor,

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**DECLARATION OF JOE BOBKER, MANAGER OF DEBTOR,
PURSUANT TO LOCAL RULE 1007-2**

Joe Bobker, declares the following to be true and correct, under the penalty of perjury, pursuant to 28 U. S. C. sect. 1746:

1. I am the managing member of Bay Condos, LLC a corporation engaged in the real estate development business. The Debtor is a privately owned business.
2. I am authorized to submit this declaration pursuant to Local Rule 1007-2 of this Court in support of the Debtor's petition for relief under chapter 11 of the Bankruptcy Code.
3. The debtor was constrained to file an emergency petition requesting relief under chapter 11 of the bankruptcy Code because the major Creditor/ Mortgagee had

threatened to accelerate the underlying mortgage and hold debtor in default . Such action would have resulted in a drastic increase in interest rate on the underlying mortgage. The mortgage is held by First Central Savings Bank in the principal sum of \$9,836,240.14 with an interest rate of 5% per annum. The debtor, although current on the monthly interest payments, is in arrears with respect to the monthly escrow for real estate taxes. If acceleration was allowed to occur the interest rate would have escalated to 21% per annum thereby costing the debtor in excess of \$6,000.00 per day.

4. The Debtor was formed on August 4th, 2005 and is the owner of two (2) commercial condominium units designated as 101 and 102 which units are located at 11 East 36th Street, New York, N.Y. Both units are presently rented. The units are encumbered by a blanket mortgage which also encumbers several other units located within the same building. These other units are owned by the Debtor's affiliates'.
5. The Debtor filed this chapter 11 proceeding to be afforded an opportunity to propose a plan of reorganization which will propose a sale of both units owned by the Debtor or to be afforded the opportunity to restructure it's debt.

INFORMATION REQUIRED BY LOCAL RULE 1007

6. In addition to the foregoing, Local Rule 1007-2 requires certain information related to the Debtor, which is set forth below.

Local Rule 1007-2 (a) (1)

7. The Debtor is located at 11 East 36th Street Suite 1101 New York, NY.

Local Rule 1007-2 (a) (2)

8. This case was not originally commenced under Chapter 7 or 13 of Title 11 of the United States Code, 11 U. S. C. sect. 101, and et seq. (the “Bankruptcy Code”).

Local Rule 1007-2 (a) (3)

9. No committee was organized prior to the order for relief in the Chapter 11 case.

Local Rule 1007-2 (a) (4).

10. A list of the names and addresses of the Debtor’s 20 largest unsecured claims, excluding those who would not be entitled to vote at a creditors’ meeting and creditors who are “insiders” as the term is defined in 11 U. S. C. Section 101 (31) is annexed hereto as **Exhibit A.**

Local Rule 1007-2 (a) (5)

11. There are two (2) secured creditors.

Local Rule 1007-2 (a) (6)

12. An estimated balance sheet is annexed hereto as **Exhibit “B”.**

Local Rule 1007-2 (a) (7)

13. There are no publicly held securities of the Debtor.

Local Rule 1007-2 (a) (8)

14. None of the Debtor’s property is in the possession of any custodian, public officer, mortgagee, pledge, assignee of rents, or secured creditor, or any agent for such entity.

Local Rule 1007-2 (a) (9)

15. The Debtor operates its business from the premises located at 11 East 36th Street Suite 1101 New York, NY 10016.

Local Rule 1007-2 (a) (10)

16. The Debtor's primary assets are two (2) commercial condominium units (101 & 102) located at 11 East 36th Street New York, NY and the location of its books and records are at 11 East 36th Street, Suite 1101, New York, N.Y. 10016. No assets are located outside the territory of the United States.

Local Rule 1007-2 (a) (11)

17. To the best of my knowledge, information and belief, there are no actions or proceedings pending or threatened against the Debtor or its property, where a judgment against the Debtor or the seizure of its property may be imminent.

Local Rule 1007-2 (a) (12)

18. The Debtor's management consists of Joe Bobker, Member, Eli Bobker, Member, Member, and Ben Bobker, Member.

Local Rule 1007-2 (b) (1) and (2)

19. The Debtor does not have any employees.

20. The Debtor's estimated weekly payroll and payments to officers, stockholders, and directors for a thirty (30) day period following the Chapter 11 petition is \$0.00

Local Rule 1007-2 (b) (3)

21. The estimated schedule of cash receipts and disbursements for a thirty (30) day period following the filing of the Chapter 11 petition, net cash gain or loss,

obligations and receivables expected to accrue but remaining unpaid, other than professional fees is annexed hereto as **Exhibit “C”**

INFORMATION REQUIRED BY BANKRUPTCY CODE SECTION 1116 (1) (A)

- 22. The Debtor’s most recent balance sheet is annexed hereto as **Exhibit “B”**.
- 23. The Debtor’s most recent profit and loss statement is annexed hereto as **Exhibit “C”**.
- 24. The Debtor’s most recent cash-flow statement is annexed hereto as **Exhibit “C”**.

CONCLUSION

The Debtor believes that, given the opportunity, it will be able to propose, confirm and consummate a plan of reorganization that will be in the best interests of its estate and all of its creditors.

Executed on January 4th, 2012

/s/ Joe Bobker
Joe Bobker, Member

EXHIBIT "A"
TWENTY LARGEST "UNSECURED CREDITORS"

<u>NAME</u>	<u>AMOUNT OWED</u>
Belkin Burden Wenig & Goldman, LLP 270 Madison Avenue New York, N.Y. 10016	\$2,000.00

EXHIBIT "B"

**SUMMARY OF ESTIMATED ASSETS AND LIABILITIES
OF BAY CONDOS, LLC**

ASSETS:

Real Estate	\$4,450,000.00
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LIABILITIES:

Secured Loans	\$10,103,849.00
Unsecured Creditors	\$2,000.00

Note: The above secured loan is a blanket mortgage which encumbers numerous other units owned by Debtor's affiliates' within the same building with an aggregate estimated fair market value \$15,000,000.00.

EXHIBIT "B"

SCHEDULE OF ESTIMATED CASH RECEIPTS AND
DISBURSEMENTS FOR A THIRTY DAY PERIOD FOLLOWING
FILING OF YHE CHAPTER 11 PETITION

INCOME:

Rent	\$26,787.69
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EXPENSES:

Monthly Mortgage Payment	\$12,300.00
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Common Charges	\$2,854.94
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Real Estate Taxes	\$10,551.25
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Real Estate Tax Escrow	\$5,275.63
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Hazard Insurance	<u>\$1,000.00</u>
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TOTAL	\$31,981.79
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Net Profit	(5,194.10)
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